

SENATE BILL NO. 407

INTRODUCED BY RIPLEY, STEINBEISSER, MILBURN

A BILL FOR AN ACT ENTITLED: "AN ACT IDENTIFYING CERTAIN FEDERAL IRRIGATION DISTRICT CONTRACTS THAT ARE SUBJECT TO PETITION AND JUDICIAL REVIEW; REQUIRING JUDICIAL REVIEW OF CONTRACT PROCEEDINGS; ~~AND~~ AMENDING SECTIONS 85-7-1956 AND 85-7-1957, MCA; AND PROVIDING AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 85-7-1956, MCA, is amended to read:

"85-7-1956. Majority vote or petition necessary to contract with United States. ~~(1) No contract shall~~
A repayment contract, a water service contract with a term of more than 1 year, or any operation or maintenance
contract may not be made entered into with the United States hereunder under this chapter except upon EITHER:
(a) approval of a majority of those voting on the question at an election conducted pursuant to
85-7-1710; provided that ~~However,~~ the voting majority must own at least 50% of the acreage included within the
district; or upon,

(b) a petition signed by at least 60% in number and acreage of the holders of title or evidence of title to
the lands included within the district.

~~(2) Such~~ The petition may include one or more parts and shall must:

(a) be addressed to the board of commissioners; shall set forth

(b) state the aggregate amount of money to be borrowed from repaid to the United States and the
purpose or purposes thereof, shall have attached thereto benefits for which the money will be spent;

(c) include an affidavit certifying the signatures to said the petition; and shall; and

(d) be filed with the secretary of the board of commissioners. Such petition may consist of one or more
parts or papers."

Section 2. Section 85-7-1957, MCA, is amended to read:

"85-7-1957. United States contracts -- court approval required. ~~(1) The board of commissioners of~~
any irrigation district, before the making of any contract Prior to entering into any repayment contract, any water

1 service contract with a term of more than 1 year, or any operation or maintenance contract with the United States
2 ~~hereunder, under this chapter, the board of commissioners of an irrigation district~~ shall commence a special
3 proceeding in the district court of the state, ~~by~~

4 (2) The irrigation district shall establish that it is organized in accordance with state law and has the
5 capacity to enter into contracts with the United States pursuant to applicable federal laws.

6 (3) The district court shall examine and approve or disapprove which the proceedings of the board and
7 of the district leading up to the making of ~~any such a contract and the validity of the terms thereof shall be~~
8 ~~judicially examined and approved and affirmed or disapproved and disaffirmed~~ by determining whether the
9 proceedings were in accordance with the voting or petition procedures provided in 87-7-1956 85-7-1956.

10 ~~(2)(4)~~ (4) The practice and procedure for the confirmation of any step or action, as provided in ~~subsection~~
11 ~~(4) this section, shall be~~ must conform as nearly as possible ~~in conformity~~ with the practice and procedure ~~now~~
12 provided for in the confirmation before the issuance and sale of bonds of an irrigation district.

13 (5) The court may approve and affirm ~~such the~~ proceedings in part and disapprove and declare illegal
14 or invalid other and subsequent parts of the proceedings, and ~~insofar as~~ to the extent possible, the court shall
15 remedy and cure all defects in ~~said the~~ proceedings."

16
17 NEW SECTION. SECTION 3. APPLICABILITY. [THIS ACT] APPLIES TO CAUSES OF ACTION BROUGHT ON OR
18 AFTER OCTOBER 1, 2009.

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